MILLER & MARTIN LLP

ATTORNEYS AT LAW

1200 ONE NASHVILLE PLACE

150 FOURTH AVENUE NORTH

NASHVILLE, TENNESSEE 37219-2433

615/244-9270

FAX 615/256-8197 615/744-8466

T.R.A. DOCKET ROOM

ATLANTA OFFICE:

1275 PEACHTREE STREET, N.E.

SUITE 700

ATLANTA, GEORGIA 30309-3576

404/962-6100

FAX 404/962-6300

SUITE 1000, VOLUNTEER BUILDING 832 GEORGIA AVENUE

CHATTANOOGA, TENNESSEE 37402-2289 423/756-6600

CHATTANOOGA OFFICE:

FAX 423/785-8480

WRITER'S DIRECT NUMBER

August 12, 2003

E-MAIL ADDRESS: cphillips@millermartin.com

HAND DELIVERY

J. BARCLAY PHILLIPS

NASHVILLE OFFICE

Commissioner Ron Jones Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

> RE: CMRS Response to Tennessee Rural Independent Coalition Docket # 00-00523

Dear Commissioner Jones:

For your information, please find enclosed a copy of a letter transmitted to Mr. Kraskin and the Tennessee Rural Independent Coalition. This letter primarily responds to Mr. Kraskin's rejection of the wireless carriers proposal for interim reciprocal compensation.

Should you have any questions or need anything further, please do not hesitate to contact me.

Sincerely,

J. Barclay Phillips

JBP:cgb Enclosure

RECEIVED **RON JONES**

AUG 132003

TN REGULATORY AUTHORITY



Verizon Wireless 1300 I Street NW Suite 400 West Washington, DC 20005

August 12, 2003

RECEIVED RONJONES

AUG 1 3 2003

TN REGULATORY AUTHORITY

Via E-mail and Regular Mail

Stephen G. Kraskin, Esq. Kraskin, Lesse and Cosson, LLC 2120 L Street, N.W., Suite 520 Washington, DC 20037

Re:

August 4, 2003 Letter on Behalf of the Tennessee

Rural Independent Coalition

Dear Steve:

On behalf of AT&T Wireless Services, Sprint PCS, Cingular Wireless, Cellco Partnership, d/b/a Verizon Wireless, T-Mobile, US Cellular and Clear Talk (collectively "Wireless Carriers"), I am responding the above-referenced letter. Among other things, your letter rejected the July 30, 2003 Interim Reciprocal Compensation offer made by the Wireless Carriers. I am limiting my response only to those policy issues and interpretations of law, which you set forth in your rejection letter. My silence to any other point should not be construed as a tacit agreement with your stated legal positions or factual assertions.

The Wireless carriers disagree that Section 51.715¹ of the FCC's rules does not apply to the Wireless Carriers and the Tennessee Rural Independent Coalition ("Coalition"). As you know, there is no interconnection agreement to which the Wireless Carriers and Coalition members are parties, which is why the parties are engaged in negotiations of interconnection and reciprocal compensation arrangements pursuant to 47 U.S.C. §§ 251, 252. The IntraLATA Toll Arrangements you reference in your letter are between the Coalition members and BellSouth, another ILEC, not an interconnection arrangement between a "requesting carrier" and the Coalition members within the meaning of 47 CF.R. §51.715(a)(1). We also disagree that the interim rules are "unnecessary", especially since the current flow of compensation for the termination of traffic is not reciprocal as required by the FCC's rules.

¹ See 47. C.F.R. §51.715.

Regardless of the difference of opinion with regard to the applicability of section 51.715 to the instant situation, the Wireless Carriers have made this offer in good faith in order to ensure that all parties are reasonably compensated during this interim period. We would, however, be interested in discussing any counter proposal for an interim reciprocal compensation agreement that would apply to all IntraMTA traffic being exchanged between your clients and the Wireless Carriers.

The admissions you desire from the CMRS carriers will not further the negotiations process at this point, and seem unnecessary considering the progress that was made at our negotiations last Wednesday, August 6, 2003. As far as your concerns about the Wireless Carriers acting collusively with BellSouth, I believe they are unfounded. While the Wireless Carriers do have transiting arrangements with BellSouth, such agreements are publicly available and on file with the Tennessee Regulatory Authority ("TRA"). The Wireless carriers are simply pursuing their statutory rights to enter into reciprocal compensation agreements with the Coalition members. To the extent the parties have differing legal positions and a negotiated agreement is not reached, both parties will have the opportunity to seek resolution of these legal issues with the TRA pursuant to 47 U.S.C. § 252(b).

From our negotiations, it is my understanding that you will be providing a negotiated rate or rates on behalf of your clients by August 18, 2003, and further negotiations will occur on August 20, 2003. In light of our ongoing negotiations, to the extent you require more information or have further questions surrounding the Wireless Proposal for interim compensation, please feel free to raise them at our next meeting.

Sincerely,

Elone Cuctides

Flaine D. Critides

cc: Marc Sterling (Verizon Wireless)
Bill Brown (Cingular Wireless)
Jill Mounsey (AT&T Wireless)
Suzanne Toller (AT&T Wireless)
Jim Nauman (US Cellular)
Tom Sams (ClearTalk)
Dan Menser (T-Mobile)
Joelle Phillips (BellSouth)
Hon. Ron Jones, Hearing Officer (TRA)

Kraskin, Lesse & Cosson, Lic

ATTORNEYS AT LAW

TELECOMMUNICATIONS MANAGEMENT CONSULTANTS

2120 L Street, N.W., Suite 520 Washington, D.C. 20037

T.R.A. DU CTelephone (202) 296-8890 Telecopier (202) 296-8893

August 4, 2003

VIA E-MAIL AND REGULAR MAIL

Suzanne Toller, Esq.
Davis Wright Tremaine LLP
SUITE 600
ONE EMBARCADERO CENTER
SAN FRANCISCO, CA 94111-3834

Re: Tennessee Interim Compensation Offer (TRA Docket No. 00-00523)

Dear Suzanne:

This letter responds to your July 30, 2003 correspondence to the members of the Tennessee Rural Independent Coalition (the "Coalition") and the offer to establish a reciprocal interim compensation arrangement pending resolution of negotiations or arbitration and approval of such rates by the Tennessee Regulatory Authority ("TRA"). The Coalition understands that the offer was submitted on behalf of AT&T Wireless Services, Sprint PCS, Cingular Wireless, Cellco Partnership d/b/a "Verizon Wireless," T-Mobile, US Cellular and Clear Talk (collectively, the "Wireless Carriers").

The Coalition members respectfully decline the offer. You state that the terms of the offer are "(c) onsistent with the provisions of the mechanisms established by the Federal Communications Commission ("FCC") in 47 CFR section 51.715..." In fact, however, the referenced rules are irrelevant and inapplicable. These rules do not apply "when the requesting carrier has an existing interconnection arrangement that provides for the transport and termination of telecommunications traffic by the incumbent LEC." 47 CFR Sec. 51.715(a)(1).

In the existing situation, each of the Wireless Carriers has an established interconnection arrangement that provides for the transport and termination of traffic by the Coalition members. Each of your companies has executed a bilateral agreement with BellSouth to achieve the interconnection that you currently enjoy. There is no blockage of traffic transmitted from your networks to the Coalition member networks because an existing arrangement provides each of you with transport and termination on each Coalition member network. Accordingly, the referenced "interim interconnection rules" are not applicable.

The "interim" rules are not applicable because they are unnecessary where an interconnection arrangement already exists. The facts that brought us to our current negotiations involve the very

existence of your interconnection, not the absence of interconnection, nor any reticence by any Coalition member to transport and terminate the Wireless Carrier traffic. The interconnection arrangement currently enjoyed by the Wireless Carriers exists because BellSouth, to carry out the bilateral agreements it entered with each of you, utilizes an existing physical connection between BellSouth and each Coalition member. As the Coalition has repeatedly explained to the Wireless Carriers, the existing physical interconnection between BellSouth did not simply appear magically for use of transport and termination by any carrier in the absence of established terms and conditions.

The existing arrangement is subject to terms and conditions, including compensation, that have been established between BellSouth and each Coalition member. These terms and conditions are certainly subject to modification with the approval of the TRA. In fact, it is the very modification of these terms and conditions upon which we have entered negotiations with the Wireless Carriers and BellSouth in accordance with the May 5, 2003, Order issued by Director Jones. Until new terms and conditions are established pursuant to agreement or arbitration, however, the Coalition Members will enforce their rights pursuant to the existing agreements.

The Coalition has provided this information to the Wireless Carriers on numerous occasions, and most recently during the course of our meeting in Nashville on July 16.

Please confirm:

- 1. That you are aware that a business relationship exists between BellSouth and each Coalition member with respect to the establishment of physical interconnection between the companies.
- 2. Your understanding that the Coalition Members assert, as set forth in the Petition before the TRA in which the Wireless Carriers intervened, that there exist established terms and conditions with respect to the interconnection between BellSouth and the Coalition members.
- 3. That you are aware that the Coalition has repeatedly provided you with notice that your offer may be construed as an attempt to assist BellSouth in the avoidance of its obligations pursuant to the existing business arrangement between each Coalition member and BellSouth. Please do not overlook the fact that several Wireless Carrier company representatives have explained that they entered "meet point' arrangements to avoid the charges that BellSouth has previously "passed on" to the Wireless Carriers in accordance with filed interconnection agreements between BellSouth and the Wireless Carrier.
- 4. That each Wireless Carrier has reviewed the Coalition Petition in which it intervened and is aware, accordingly, of the claim of damages that each Coalition member may make.

As the Wireless Carriers know, the Coalition members previously compromised with BellSouth to establish an interim compensation level that temporarily altered the existing arrangement with

BellSouth through July 31, 2003. In the spirit of compromise to resolve the pending dispute with BellSouth, the Coalition Members have offered to continue the interim compensation level agreement with BellSouth until new terms and conditions for the interconnection arrangement, the very subject of our current negotiations, are approved by the TRA. The Wireless Carriers are also aware that BellSouth has refused the Coalition offer. Accordingly, the Coalition members will vigorously enforce their rights under the existing arrangements against all parties that act individually or in concert to deny those rights.

Sincerely,

s/Stephen G. Kraskin

Stephen G. Kraskin Counsel for the Rural Coalition

cc: Joelle Phillips, BellSouth
Hon. Ron Jones, Hearing Officer
Jill Mounsey, AT&T Wireless
Monica Barone, Sprint PCS
Elaine Critides, Verizon Wireless
Bill Brown, Cingular
Dan Menser, T-Mobile
Jim Nauman, US Cellular
Tom Sams, ClearTalk